

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 609,
COLLEGE ACCESS AND OPPORTUNITY ACT OF 2005

MARCH 29, 2006.—Referred to the House Calendar and ordered to be printed

Mr. BISHOP of Utah, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 742]

The Committee on Rules, having had under consideration House Resolution 742, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for further consideration of H.R. 609, the College Access and Opportunity Act of 2005. The rule provides that no further general debate is in order. The rule makes in order only those amendments printed in this report.

The rule provides that the amendments printed in this report may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in this report.

Finally, the rule provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

The Rules Committee is not aware of any points of order that lay against the amendments contained in this report. The waiver of all points of order is prophylactic in nature.

COMMITTEE VOTES

Pursuant to clause 3(b) of House rule XIII the results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 156

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mrs. Slaughter.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Bishop of New York which extends the Tuition Deduction for Higher Education through 12/31/2011.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 157

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mrs. Slaughter.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Petri of Wisconsin and Rep. George Miller of California which inserts at the end of part G of title IV of the bill, the provisions of H.R. 1425, the Student Aid Reward Program.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 158

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mr. McGovern.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Emanuel of Illinois which restores the \$12 billion to student aid programs that the Deficit Reduction Act cut.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 159

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mr. McGovern.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Wu and Rep. McGovern which allows student loan borrowers to refinance their student loans. Upon reconsolidation, the borrower would get a variable rate with a cap of 6.8 percent.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 160

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mr. Hastings of Florida.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Grijalva of Arizona which offers loan forgiveness for teachers who work in rural schools located in low-income communities who complete five years of service.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 161

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mr. Hastings of Florida.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Scott of Georgia which establishes a student loan repayment program within the Department of Education for borrowers who agree to remain employed, for at least three years, as public attorneys who are: (1) State or local criminal prosecutors; or (2) State, Local, or Federal public defenders in criminal cases. The repayment under this program will be limited to \$6,000 per calendar year and \$40,000 total.

Results: Defeated 4 to 7, 1 present.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Present; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 162

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mrs. Matsui.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Inslee of Washington which seeks to retain Head Start and Early Head Start teachers by increasing the level of discretionary loan forgiveness from \$5,000 to \$17,500 (the level for math and science teachers). Seeks to address the unfunded mandate passed in School Readiness Act (H.R. 2123) requiring 50 percent of Head Start and Early Head Start teachers to obtain a bachelor's degree in early education by 2011.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

Rules Committee record vote No. 163

Date: March 29, 2006.

Measure: H.R. 609, the College Access and Opportunity Act of 2005.

Motion by: Mrs. Matsui.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Rep. Kind of Wisconsin which provides institutions of higher education with grants to institute creative and innovative ways of encouraging students to study and enter into careers focused on math, science, engineering, and technology.

Results: Defeated 4 to 8.

Vote by Members: Diaz-Balart—Nay; Hastings (WA)—Nay; Sessions—Nay; Capito—Nay; Cole—Nay; Bishop—Nay; Gingrey—Nay; Slaughter—Yea; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

SUMMARY OF AMENDMENTS MADE IN ORDER

(Summaries derived from information provided by sponsors.)

1. Biggert (IL): Allows unaccompanied homeless youth be considered independent students upon verification of their living situation by a McKinney-Vento Act school district liaison, a shelter director, or a financial aid administrator. (10 minutes)

2. Gohmert (TX): Strikes certain reporting requirements for colleges and universities within Sec. 131(f). Also strikes Sec. 495(a)(1) that would allow states to apply to the Secretary of Education to become recognized accreditors. (10 minutes)

3. Kennedy (RI)/Ros-Lehtinen (FL): Makes child and adolescent mental health professionals eligible for loan forgiveness for high need professions under Sec. 421 of the bill. (10 minutes)

4. King (IA): Requires institutions that receive any federal funding whatsoever (including grants and scholarships) to submit to the U.S. Department of Education an annual report answering two questions. First, the report must state whether race, color, or national origin is considered in the student admissions process. If race, color, or national origin is considered in the student admissions process, then the report must contain a subsequent analysis of how these factors are considered in the process. (10 minutes)

5. Kirk (IL)/Larsen (WA): Expresses the sense of Congress that student exchange and language education programs should focus

on Chinese and Arabic, in light of the global importance of China and the Middle East. (10 minutes)

6. Souder (IN)/Bishop (NY): Removes language in the bill that prohibits schools from denying transfers of credit based solely on the accreditation of the sending institution. Maintains the requirement that schools publicly disclose their transfer policies, and would also require a school to disclose any policy that would deny transfers of credit solely on the accreditation of the institution where the credit was earned. (10 minutes)

7. Miller (CA)/Kildee (MI)/Grijalva (AZ)/Davis (IL)/Scott (VA): Amendment in the Nature of a Substitute. Lowers student loan interest rates; establishes a new Predominantly Black Serving Institution program to boost college participation rates of low-income, black students; establishes a new graduate Hispanic Serving Institution program; provides for year-round Pell grants; repeals the Single Lender rule. (10 minutes)

8. McKeon (CA): Pro forma amendment for the purpose of debate. (10 minutes)

TEXT OF AMENDMENTS MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BIGGERT OF ILLINOIS, OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 230, after line 10, insert the following new subsection:

(d) HOMELESS YOUTH.—Section 480(d) is further amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(2) by inserting after paragraph (5) the following new paragraph:

“(6) has been verified as both a homeless child or youth and an unaccompanied youth, as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a), during the school year in which the application for financial assistance is submitted, by—

“(A) a local educational agency liaison for homeless children and youths, as designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii));

“(B) a director of a homeless shelter, transitional shelter, or independent living program; or

“(C) a financial aid administrator;”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE GOHMERT OF TEXAS, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 31, beginning on line 20, strike subsection (f) and insert the following:

(f) OUTCOMES AND ACTIONS.—

(1) RESPONSE FROM INSTITUTION.—Effective on June 30, 2010, an institution that has a college affordability index that exceeds 2.0 for any 3-year interval ending on or after that date shall provide a report to the Secretary, in such a form, at such time, and containing such information as the Secretary may require. Such report shall include—

(A) a description of the factors contributing to the increase in the institution's costs and in the tuition and fees charged to students; and

(B) if determinations of tuition and fee increases are not within the exclusive control of the institution, a description of the agency or instrumentality of State government or other entity that participates in such determinations and the authority exercised by such agency, instrumentality, or entity.

(2) QUALITY-EFFICIENCY TASK FORCES.—

(A) REQUIRED.—Each institution subject to paragraph (1) that has a college affordability index that is in the highest 5 percent of such indexes of all institutions subject to paragraph (1) shall establish a quality-efficiency task force to review the operations of such institution.

(B) MEMBERSHIP.—Such task force shall include administrators and business and civic leaders and may include faculty, students, trustees, parents of students, and alumni of such institution.

(C) FUNCTIONS.—Such task force shall analyze institutional operating costs in comparison with such costs at other institutions within the class of institutions. Such analysis should identify areas where, in comparison with other institutions in such class, the institution operates more expensively to produce a similar result. Any identified areas should then be targeted for in-depth analysis for cost reduction opportunities.

(D) REPORT.—The results of the analysis by a quality-efficiency task force under this paragraph shall be included in the report to the Secretary under paragraph (1).

(3) CONSEQUENCES FOR 2-YEAR CONTINUATION OF FAILURE.—If the Secretary determines that the institution has failed to reduce the college affordability index below 2.0 for such 2 academic years, the Secretary shall place the institution on an affordability alert status and shall make the information regarding the institution's failure available in accordance with subsection (d).

(4) INFORMATION TO STATE AGENCIES.—Any institution that reports under paragraph (1)(A) that an agency or instrumentality of State government or other entity participates in the determinations of tuition and fee increases shall, prior to submitting any information to the Secretary under this subsection, submit such information to, and request the comments and input of, such agency, instrumentality, or entity. With respect to any such institution, the Secretary shall provide a copy of any communication by the Secretary with that institution to such agency, instrumentality, or entity.

(5) EXEMPTIONS.—

(A) RELATIVE PRICE EXEMPTION.—The Secretary shall, for any 3-year interval for which college affordability indexes are computed under paragraph (1), determine and publish the dollar amount that, for each class of institution described in paragraph (6) represents the maximum tuition and fees charged for a full-time undergraduate student in the least costly quartile of institutions within each

such class during the last year of such 3-year interval. An institution that has a college affordability index computed under paragraph (1) that exceeds 2.0 for any such 3-year interval, but that, on average during such 3-year interval, charges less than such maximum tuition and fees shall not be subject to the actions required by paragraph (3), unless such institution, for a subsequent 3-year interval, charges more than such maximum tuition and fees.

(B) DOLLAR INCREASE EXEMPTION.—An institution that has a college affordability index computed under paragraph (1) that exceeds 2.0 for any 3-year interval, but that exceeds such 2.0 by a dollar amount that is less than \$500, shall not be subject to the actions required by paragraph (3), unless such institution has a college affordability index for a subsequent 3-year interval that exceeds 2.0 by more than such dollar amount.

(6) CLASSES OF INSTITUTIONS.—For purposes of this subsection, the classes of institutions shall be those sectors used by the Integrated Postsecondary Education Data System, based on whether the institution is public, nonprofit private, or for-profit private, and whether the institution has a 4-year, 2-year, or less than 2-year program of instruction.

(7) DATA REJECTION.—Nothing in this subsection shall be construed as allowing the Secretary to reject the data submitted by an individual institution of higher education.

Page 37, after line 2, insert the following new subsection (and redesignate the succeeding subsections accordingly):

“(g) INFORMATION TO THE PUBLIC.—Upon receipt of an institution’s report required under subsection (f), the Secretary shall make the information in the report available to the public in accordance with subsection (d) on the COOL website under subsection (b).

Page 262, beginning on line 19, strike paragraph (1) and redesignate the succeeding paragraphs accordingly.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KENNEDY OF RHODE ISLAND, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 189, line 13, redesignate subparagraph (I) as subparagraph (J), and before such subparagraph insert the following new subparagraph:

“(I) CHILD OR ADOLESCENT MENTAL HEALTH PROFESSIONALS.—An individual who is employed as child or adolescent mental health professional and is currently providing a majority of their clinical services to children or adolescents.

Page 194, after line 14, insert the following new paragraphs:

“(8) CHILD OR ADOLESCENT MENTAL HEALTH PROFESSIONAL.—The term ‘child or adolescent mental health professional’ means an individual who is employed as a psychiatrist, psychologist, school psychologist, psychiatric nurse, social worker, school social worker, marriage and family therapist, school counselor, or professional counselor and holds an advanced degree in one of the above areas with specialized training in child or adolescent mental health.

“(9) SPECIALIZED TRAINING IN CHILD OR ADOLESCENT MENTAL HEALTH.—The term ‘specialized training in child or adolescent mental health’ means training that

“(A) is part of or occurs after completion of an accredited graduate program in the United States for training mental health service professionals;

“(B) consists of at least 500 hours of training or clinical experience in treating children or adolescents; and

“(C) is comprehensive, coordinated, developmentally appropriate, and of high quality to address the unique ethnic and cultural diversity of the United States population.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KING OF IOWA, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of part B of title IX of the Amendment add the following new section:

SEC. ____ . RACIAL AND ETHNIC PREFERENCES.

(a) FINDINGS.—The Congress finds the following:

(1) Title VI of the Civil Rights Act of 1964 forbids discrimination on the basis of race, color, or national origin by Federally-funded institutions, which includes nearly all colleges and universities.

(2) The United States Supreme Court has recently set out limitations on such considerations of race, color, and national origin.

(3) In order to ensure that these limitations are followed, schools must make public their use of race, color, and national origin, for admissions decisions so that Federal and State enforcement agencies and interested persons can monitor the schools.

(4) Citizens and taxpayers have a right to know whether Federally-funded institutions of higher education are treating student applications differently depending on the student's race, color, or national origin, and, if so, the way in which these factors are weighted and the consequences to students and prospective students of these decisions.

(b) REPORTS ON ADMISSIONS PROCESS REQUIRED.—

(1) REPORT REQUIRED.—Every academic year, each institution of higher education that receives funds from the Federal Government shall provide to the Office for Civil Rights of the Department of Education a report regarding its students admissions process, and the report shall be made publicly available.

(2) DISCLOSURE OF CONSIDERATION OF RACE, COLOR, OR NATIONAL ORIGIN.—

(A) DISCLOSURE.—The report required by this section shall begin with a statement of whether race, color, or national origin is given any weight in the student admissions process.

(B) DEPARTMENTAL DISCLOSURES.—If different departments within the institution have separate admission processes and any of those departments give any weight to race, color, and national origin, then the report shall pro-

vide the information required by subparagraph (A) of this paragraph and paragraph (3) for each department separately.

(3) ADDITIONAL DISCLOSURES.—If the disclosure required by paragraph (2) states that race, color, or national origin is given weight in the student admission process, then the report under this section shall also provide the following information:

(A) The racial, color, and national origin groups for which membership is considered a plus factor or a minus factor and, in addition, how membership in a group is determined for individual students.

(B) A description of how group membership is considered, including the weight given to such consideration and whether targets, goals, or quotas are used.

(C) A statement of why group membership is given weight, including the determination of the desired level claimed and, with respect to the diversity rationale, its relationship to the particular institution's educational mission.

(D) A description of the consideration that has been given to racially neutral alternatives as a means for achieving the same goals for which group membership is considered.

(E) A description of how frequently the need to give weight to group membership is reassessed and how that reassessment is conducted.

(F) A statement of the factors other than race, color, or national origin that are collected in the admissions process. Where those factors include grades or class rank in high school, scores on standardized tests (including the ACT and SAT), legacy status, sex, State residency, economic status, or other quantifiable criteria, then all raw admissions data for applicants regarding these factors, along with each individual applicant's race, color, and national origin and the admissions decision made by the school regarding that applicant, shall accompany the report in computer-readable form, with the name of the individual student redacted but with appropriate links, so that it is possible for the Office for Civil Rights or other interested persons to determine through statistical analysis the weight being given to race, color, and national origin, relative to other factors.

(G) An analysis, and also the underlying data needed to perform an analysis, of whether there is a correlation—

(i) between membership in a group favored on account of race, color, or national origin and the likelihood of enrollment in a remediation program, relative to membership in other groups;

(ii) between such membership and graduation rates, relative to membership in other groups; and

(iii) between such membership and the likelihood of defaulting on education loans, relative to membership in other groups.

(4) **RULE OF CONSTRUCTION.**—Nothing in this Act shall be construed to allow or permit preference or discrimination on the basis of race, color, or national origin.

5. **AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KIRK OF ILLINOIS, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES**

At the end of section 601 add the following new subsection:

(k) **SENSE OF THE CONGRESS.**—It is the sense of the Congress that due to the diplomatic, economic, and military importance of China and the Middle East, international exchange and foreign language education programs under the Higher Education Act of 1965 should focus on the learning of Chinese and Arabic language and culture.

6. **AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SOUDER OF INDIANA, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES**

Page 267, beginning on line 14, strike paragraph (8) and insert the following:

“(8) confirms as a part of its review for accreditation or re-accreditation that the institution has transfer policies that are publicly disclosed and specifically state whether the institution denies a transfer of credit based solely on the accreditation of the institution at which the credit was earned;

7. **AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO BE OFFERED BY REPRESENTATIVE GEORGE MILLER OF CALIFORNIA, OR HIS DESIGNEE, TO BE DEBATABLE FOR 30 MINUTES**

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Reverse the Raid on Student Aid Act of 2006”.

SEC. 2. REFERENCES; EFFECTIVE DATE.

(a) **REFERENCES.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

(b) **EFFECTIVE DATE.**—Except as otherwise provided in this Act, the amendments made by this Act shall take effect on the date of enactment of this Act.

SEC. 3. CENTERS OF EXCELLENCE.

Title II (20 U.S.C. 1021 et seq.) is amended by adding at the end the following:

“PART C—CENTERS OF EXCELLENCE

“SEC. 231. PURPOSES; DEFINITIONS.

“(a) **PURPOSES.**—The purposes of this part are—

“(1) to help recruit and prepare teachers, including minority teachers, to meet the national demand for a highly qualified teacher in every classroom; and

“(2) to increase opportunities for Americans of all educational, ethnic, class, and geographic backgrounds to become highly qualified teachers.

“(b) DEFINITIONS.—As used in this part:

“(1) ELIGIBLE INSTITUTION.—The term ‘eligible institution’ means—

“(A) an institution of higher education that has a teacher preparation program that meets the requirements of section 203(b)(2) and that is—

“(i) a part B institution (as defined in section 322);

“(ii) a Hispanic-serving institution (as defined in section 502);

“(iii) a Tribal College or University (as defined in section 316);

“(iv) an Alaska Native-serving institution (as defined in section 317(b)); or

“(v) a Native Hawaiian-serving institution (as defined in section 317(b));

“(B) a consortium of institutions described in subparagraph (A); or

“(C) an institution described in subparagraph (A), or a consortium described in subparagraph (B), in partnership with any other institution of higher education, but only if the center of excellence established under section 232 is located at an institution described in subparagraph (A).

“(2) HIGHLY QUALIFIED.—The term ‘highly qualified’ when used with respect to an individual means that the individual is highly qualified as determined under section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801) or section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401).

“(3) SCIENTIFICALLY BASED READING RESEARCH.—The term ‘scientifically based reading research’ has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

“(4) SCIENTIFICALLY BASED RESEARCH.—The term ‘scientifically based research’ has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“SEC. 232. CENTERS OF EXCELLENCE.

“(a) PROGRAM AUTHORIZED.—From the amounts appropriated to carry out this part, the Secretary is authorized to award competitive grants to eligible institutions to establish centers of excellence.

“(b) USE OF FUNDS.—Grants provided by the Secretary under this part shall be used to ensure that current and future teachers are highly qualified, by carrying out one or more of the following activities:

“(1) Implementing reforms within teacher preparation programs to ensure that such programs are preparing teachers who are highly qualified, are able to understand scientifically based research, and are able to use advanced technology effec-

tively in the classroom, including use for instructional techniques to improve student academic achievement, by—

“(A) retraining faculty; and

“(B) designing (or redesigning) teacher preparation programs that—

“(i) prepare teachers to close student achievement gaps, are based on rigorous academic content, scientifically based research (including scientifically based reading research), and challenging State student academic content standards; and

“(ii) promote strong teaching skills.

“(2) Providing sustained and high-quality preservice clinical experience, including the mentoring of prospective teachers by exemplary teachers, substantially increasing interaction between faculty at institutions of higher education and new and experienced teachers, principals, and other administrators at elementary schools or secondary schools, and providing support, including preparation time, for such interaction.

“(3) Developing and implementing initiatives to promote retention of highly qualified teachers and principals, including minority teachers and principals, including programs that provide—

“(A) teacher or principal mentoring from exemplary teachers or principals; or

“(B) induction and support for teachers and principals during their first 3 years of employment as teachers or principals, respectively.

“(4) Awarding scholarships based on financial need to help students pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program.

“(5) Disseminating information on effective practices for teacher preparation and successful teacher certification and licensure assessment preparation strategies.

“(6) Activities authorized under sections 202, 203, and 204.

“(c) APPLICATION.—Any eligible institution desiring a grant under this section shall submit an application to the Secretary at such a time, in such a manner, and accompanied by such information the Secretary may require.

“(d) MINIMUM GRANT AMOUNT.—The minimum amount of each grant under this part shall be \$500,000.

“(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible institution that receives a grant under this part may not use more than 2 percent of the grant funds for purposes of administering the grant.

“(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this part.

“SEC. 233. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$10,000,000 for fiscal year 2007 and such sums as may be necessary for each of the 5 succeeding fiscal years.”.

SEC. 4. TITLE III GRANTS FOR AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

(a) ELIGIBLE INSTITUTIONS.—Subsection (b) of section 316 (20 U.S.C. 1059c(b)) is amended to read as follows:

“(b) DEFINITIONS.—

“(1) ELIGIBLE INSTITUTIONS.—For purposes of this section, Tribal Colleges and Universities are the following:

“(A) any of the following institutions that qualify for funding under the Tribally Controlled College or University Assistance Act of 1978 or is listed in Equity in Educational Land Grant Status Act of 1994 (7 U.S.C. 301 note): Bay Mills Community College; Blackfeet Community College; Cankdeska Cikana Community College; Chief Dull Knife College; College of Menominee Nation; Crownpoint Institute of Technology; Diné College; D–Q University; Fond du Lac Tribal and Community College; Fort Belknap College; Fort Berthold Community College; Fort Peck Community College; Haskell Indian Nations University; Institute of American Indian and Alaska Native Culture and Arts Development; Lac Courte Oreilles Ojibwa Community College; Leech Lake Tribal College; Little Big Horn College; Little Priest Tribal College; Nebraska Indian Community College; Northwest Indian College; Oglala Lakota College; Saginaw Chippewa Tribal College; Salish Kootenai College; Si Tanka University—Eagle Butte Campus; Sinte Gleska University; Sisseton Wahpeton Community College; Sitting Bull College; Southwestern Indian Polytechnic Institute; Stone Child College; Tohono O’Odham Community College; Turtle Mountain Community College; United Tribes Technical College; and White Earth Tribal and Community College; and

“(B) any other institution that meets the definition of tribally controlled college or university in section 2 of the Tribally Controlled College or University Assistance Act of 1978, and meets all other requirements of this section.

“(2) INDIAN.—The term ‘Indian’ has the meaning given the term in section 2 of the Tribally Controlled College or University Assistance Act of 1978.”.

(b) DISTANCE LEARNING.—Subsection (c)(2) of such section is amended—

(1) by amending subparagraph (B) to read as follows:

“(B) construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services, and the acquisition of real property adjacent to the campus of the institution on which to construct such facilities;”;

(2) in subparagraph (C), by inserting before the semicolon at the end the following: “, or advanced degrees in tribal governance or tribal public policy”;

(3) in subparagraph (D), by inserting before the semicolon at the end the following: “, in tribal governance, or tribal public policy”;

(4) by striking “and” at the end of subparagraph (K);

(5) by redesignating subparagraph (L) as subparagraph (M); and

(6) by inserting after subparagraph (K) the following new subparagraph:

“(L) developing or improving facilities for Internet use or other distance learning academic instruction capabilities; and”.

(c) APPLICATION AND ALLOTMENT.—Subsection (d) of such section is amended to read as follows:

“(d) APPLICATION AND ALLOTMENT.—

“(1) INSTITUTIONAL ELIGIBILITY.—To be eligible to receive assistance under this section, a Tribal College or University shall be an eligible institution under section 312(b).

“(2) APPLICATION.—Any Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, and in such manner, as the Secretary may reasonably require.

“(3) MINIMUM GRANT.—The amount allotted to each institution under this section shall not be less than \$500,000.

“(4) SPECIAL RULES.—

“(A) CONCURRENT FUNDING.—For the purposes of this part, no Tribal College or University that is eligible for and receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

“(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.”.

(d) CONSTRUCTION GRANTS.—After subsection (d) of section 316 (20 U.S.C. 1059c(d)), as amended by subsection (c) of this section, add the following new subsections:

“(e) CONSTRUCTION GRANTS.—

“(1) IN GENERAL.—Of the amount appropriated to carry out this section for any fiscal year, the Secretary may reserve 30 percent of such amount for the purpose of awarding 1-year grants of not less than \$1,000,000 to address construction, maintenance, and renovation needs at eligible institutions.

“(2) PREFERENCE.—In providing grants under paragraph (1), the Secretary shall give preference to eligible institutions that have not yet received an award under this section.

“(f) ALLOTMENT OF REMAINING FUNDS.—The Secretary shall distribute any funds appropriated to carry out this section for any fiscal year that remain available after the Secretary has awarded grants under subsection (e), to each eligible institution as follows:

“(1) 60 percent of the remaining appropriated funds shall be distributed among the eligible Tribal Colleges and Universities on a pro rata basis, based on the respective Indian student counts (as defined in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities; and

“(2) the remaining 40 percent shall be distributed in equal shares to the eligible Tribal Colleges and Universities.”.

SEC. 5. PREDOMINANTLY BLACK INSTITUTIONS.

(a) PREDOMINANTLY BLACK INSTITUTIONS.—Part A of title III is amended by inserting after section 317 (20 U.S.C. 1059d) the following new section:

“SEC. 318. PREDOMINANTLY BLACK INSTITUTIONS.

“(a) FINDINGS AND PURPOSE.—

“(1) FINDINGS.—The Congress finds that—

“(A) although Black Americans have made significant progress in closing the ‘gap’ between black and white enrollment in higher education—

“(i) Black Americans continue to trail whites in the percentage of the college-age cohort who enroll and graduate from college;

“(ii) the college participation rate of whites was 46 percent from 2000–2002, while that for blacks was only 39 percent; and

“(iii) the gap between white and black baccalaureate degree attainment rates also remains high, continuing to exceed 10 percent;

“(B) a growing number of Black American students are participating in higher education and are enrolled at a growing number of urban and rural Predominantly Black Institutions that have included in their mission the provision of academic training and education for both traditional and non-traditional minority students;

“(C) the overwhelming majority of students attending Predominantly Black Institutions come from low- and middle-income families and qualify for participation in the Federal student assistance programs or other need-based Federal programs; and recent data from the National Post-secondary Student Aid Study indicate that 47 percent of Pell grant recipients were black compared to only 21 percent of whites;

“(D) many of these students are also ‘first generation’ college students who lack the appropriate academic preparation for success in college and whose parents lack the ordinary knowledge and information regarding financing a college education;

“(E) there is a particular national need to aid institutions of higher education that have become Predominantly Black Institutions by virtue of the fact that they have expanded opportunities for Black American and other minority students;

“(F) Predominantly Black Institutions fulfill a unique mission and represent a vital component of the American higher education landscape, far beyond that which was initially envisioned;

“(G) Predominantly Black Institutions serve the cultural and social advancement of low-income, Black American and other minority students and are a significant access point for these students to higher education and the opportunities offered by American society;

“(H) the concentration of these students in a limited number of two-year and four-year Predominantly Black Institutions and their desire to secure a degree to prepare them for a successful career places special burdens on those institutions who attract, retain, and graduate these students; and

“(I) financial assistance to establish or strengthen the physical plants, financial management, academic resources, and endowments of the Predominantly Black Institutions are appropriate methods to enhance these insti-

tutions and facilitate a decrease in reliance on governmental financial support and to encourage reliance on endowments and private sources.

“(2) PURPOSE.—It is the purpose of this section to assist Predominantly Black Institutions in expanding educational opportunity through a program of Federal assistance.

“(b) DEFINITIONS.—For purposes of this section:

“(1) PREDOMINANTLY BLACK INSTITUTION.—The term ‘Predominantly Black Institution’ means an institution of higher education—

“(A) that is an eligible institution (as defined in paragraph (5)(A) of this subsection) with a minimum of 1,000 undergraduate students;

“(B) at which at least 50 percent of the undergraduate students enrolled at the institution are low-income individuals or first-generation college students (as that term is defined in section 402A(g)); and

“(C) at which at least 50 percent of the undergraduate students are enrolled in an educational program leading to a bachelor’s or associate’s degree that the institution is licensed to award by the State in which it is located.

“(2) LOW-INCOME INDIVIDUAL.—The term ‘low-income individual’ has the meaning given such term in section 402A(g).

“(3) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term ‘means-tested Federal benefit program’ means a program of the Federal Government, other than a program under title IV, in which eligibility for the programs’ benefits, or the amount of such benefits, or both, are determined on the basis of income or resources of the individual or family seeking the benefit.

“(4) STATE.—The term ‘State’ means each of the 50 States and the District of Columbia.

“(5) OTHER DEFINITIONS.—For purposes of this section, the terms defined by section 312 have the meanings provided by that section, except as follows:

“(A) ELIGIBLE INSTITUTION.—

“(i) The term ‘eligible institution’ means an institution of higher education that—

“(I) has an enrollment of needy undergraduate students as required and defined by subparagraph (B);

“(II) except as provided in section 392(b), the average educational and general expenditure of which are low, per full-time equivalent undergraduate student in comparison with the average educational and general expenditure per full-time equivalent undergraduate student of institutions that offer similar instruction;

“(III) has an enrollment of undergraduate students that is at least 40 percent Black American students;

“(IV) is legally authorized to provide, and provides within the State, an educational program for which the institution awards a bachelors degree, or in the case of a junior or community college, an associate’s degree; and

“(V) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered, or is, according to such an agency or association, making reasonable progress toward accreditation.

“(ii) For purposes of the determination of whether an institution is an eligible institution under this subparagraph, the factor described under clause (i)(I) shall be given twice the weight of the factor described under clause (i)(III).

“(B) ENROLLMENT OF NEEDY STUDENTS.—The term ‘enrollment of needy students’ means the enrollment at an eligible institution with respect to which at least 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

“(i) in the second fiscal year preceding the fiscal year for which the determination is made, were Pell Grant recipients in such year;

“(ii) come from families that receive benefits under a means-tested Federal benefits program (as defined in subsection (b)(3));

“(iii) attended a public or nonprofit private secondary school which is in the school district of a local educational agency which was eligible for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965 in any year during which the student attended that secondary school, and which for the purpose of this paragraph and for that year was determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965 exceeds 30 percent of the total enrollment of that school; or

“(iv) are ‘first-generation college students’ as that term is defined in section 402A(g), and a majority of such first-generation college students are low-income individuals.

“(c) AUTHORIZED ACTIVITIES.—

“(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded pursuant to subsection (d) shall be used by Predominantly Black Institutions—

“(A) to assist the institution to plan, develop, undertake, and implement programs to enhance the institution’s capacity to serve more low- and middle-income Black American students;

“(B) to expand higher education opportunities for title IV eligible students by encouraging college preparation and student persistence in secondary and postsecondary education; and

“(C) to strengthen the institution’s financial ability to serve the academic needs of the students described in subparagraphs (A) and (B).

“(2) AUTHORIZED ACTIVITIES.—Grants made to an institution under subsection (d) shall be used for one or more of the following activities:

“(A) The activities described in section 311(a)(1) through (11).

“(B) Academic instruction in disciplines in which Black Americans are underrepresented.

“(C) Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary or secondary school in the State that shall include, as part of such program, preparation for teacher certification.

“(D) Establishing community outreach programs which will encourage elementary and secondary students to develop the academic skills and the interest to pursue post-secondary education.

“(E) Other activities proposed in the application submitted pursuant to subsection (e) that—

“(i) contribute to carrying out the purposes of this section; and

“(ii) are approved by the Secretary as part of the review and acceptance of such application.

“(3) ENDOWMENT FUND.—

“(A) IN GENERAL.—A Predominantly Black Institution may use not more than 20 percent of the grant funds provided under this section to establish or increase an endowment fund at the institution.

“(B) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with subparagraph (A), the Predominantly Black Institution shall provide matching funds from non-Federal sources, in an amount equal to or greater than the Federal funds used in accordance with subparagraph (A), for the establishment or increase of the endowment fund.

“(C) COMPARABILITY.—The provisions of part C regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under subparagraph (A).

“(4) LIMITATION.—Not more than 50 percent of the allotment of any Predominantly Black Institution may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

“(d) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

“(1) ALLOTMENT: PELL GRANT BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution a sum which bears the same ratio to one-half that amount as the number of Pell Grant recipients in attendance at such institution at the end of the academic year preceding the beginning of that fiscal year bears to the total number of Pell Grant recipients at all institutions eligible under this section.

“(2) ALLOTMENT: GRADUATES BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution a

sum which bears the same ratio to one-fourth that amount as the number of graduates for such school year at such institution bears to the total number of graduates for such school year at all institutions eligible under this section.

“(3) ALLOTMENT: GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution a sum which bears the same ratio to one-fourth of that amount as the percentage of graduates per institution who are admitted to and in attendance at, within 2 years of graduation with an associates degree or a baccalaureate degree, either a baccalaureate degree-granting institution or a graduate or professional school in a degree program in disciplines in which Black American students are underrepresented, bears to the percentage of such graduates per institution for all eligible institutions.

“(4) MINIMUM ALLOTMENT.—(A) Notwithstanding paragraphs (1), (2), and (3), the amount allotted to each Predominantly Black Institution under this section shall not be less than \$250,000.

“(B) If the amount appropriated pursuant to section 399 for any fiscal year is not sufficient to pay the minimum allotment, the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allocation shall be increased on the same basis as it was reduced until the amount allotted equals the minimum allotment required by subparagraph (A).

“(5) REALLOTMENT.—The amount of a Predominantly Black Institution’s allotment under paragraph (1), (2), (3), or (4) for any fiscal year, which the Secretary determines will not be required for such institution for the period such allotment is available, shall be available for reallocation to other Predominantly Black Institutions in proportion to the original allotment to such other institutions under this section for such fiscal year. The Secretary shall reallocate such amounts from time to time, on such date and during such period as the Secretary deems appropriate.

“(e) APPLICATIONS.—No Predominantly Black Institution shall be entitled to its allotment of Federal funds for any grant under subsection (d) for any period unless the institution submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

“(f) APPLICATION REVIEW PROCESS.—Section 393 shall not apply to applications under this section.

“(g) PROHIBITION.—No Predominantly Black Institution that applies for and receives a grant under this section may apply for or receive funds under any other program under this part or part B of this title.

“(h) DURATION AND CARRYOVER.—Any funds paid to a Predominantly Black Institution under this section and not expended or used for the purposes for which the funds were paid within 10 years following the date of the grant awarded to such institution under this section shall be repaid to the Treasury of the United States.”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 399(a)(1) (20 U.S.C. 1068h(a)(1)) is amended by adding at the end the following new subparagraph:

“(D) There are authorized to be appropriated to carry out section 318, \$25,000,000 for fiscal year 2007 and such sums as may be necessary for each of the 5 succeeding fiscal years.”.

SEC. 6. GRANTS TO PART B INSTITUTIONS.

(a) **USE OF FUNDS.**—

(1) **FACILITIES AND EQUIPMENT.**—

(A) **UNDERGRADUATE INSTITUTIONS.**—Paragraph (2) of section 323(a) (20 U.S.C. 1062(a)) is amended to read as follows:

“(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services, and the acquisition of real property adjacent to the campus of the institution on which to construct such facilities.”.

(B) **GRADUATE AND PROFESSIONAL SCHOOLS.**—Paragraph

(2) of section 326(c) is amended to read as follows:

“(2) construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services, and the acquisition of real property adjacent to the campus of the institution on which to construct such facilities;”.

(2) **OUTREACH AND COLLABORATION.**—Paragraph (11) of section 323(a) is amended to read as follows:

“(11) Establishing community outreach programs and collaborative partnerships between part B institutions and local elementary or secondary schools. Such partnerships may include mentoring, tutoring, or other instructional opportunities that will boost student academic achievement and assist elementary and secondary school students in developing the academic skills and the interest to pursue postsecondary education.”.

(b) **TECHNICAL ASSISTANCE.**—Section 323 (20 U.S.C. 1062) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

“(c) **TECHNICAL ASSISTANCE.**—

“(1) **IN GENERAL.**—An institution may not use more than 2 percent of the grant funds provided under this part to secure technical assistance services.

“(2) **TECHNICAL ASSISTANCE SERVICES.**—Technical assistance services may include assistance with enrollment management, financial management, and strategic planning.

“(3) **REPORT.**—The institution shall report to the Secretary on an annual basis, in such form as the Secretary requires, on the use of funds under this subsection.”.

(c) **DISTANCE LEARNING.**—Section 323(a)(2) (20 U.S.C. 1062(a)(2)) (as amended by subsection (a)(1)(A)) is further amended by inserting “development or improvement of facilities for Internet use or

other distance learning academic instruction capabilities and” after “including”.

(d) MINIMUM GRANTS.—Section 324(d)(1) (20 U.S.C. 1063(d)(1)) is amended by inserting before the period at the end the following: “, except that, if the amount appropriated to carry out this part for any fiscal year exceeds the amount required to provide to each institution an amount equal to the total amount received by such institution under subsections (a), (b), and (c) for the preceding fiscal year, then the amount of such excess appropriation shall first be applied to increase the minimum allotment under this subsection to \$750,000”.

(e) ELIGIBLE GRADUATE OR PROFESSIONAL SCHOOLS.—

(1) GENERAL AUTHORITY.—Section 326(a)(1) (20 U.S.C. 1063b(a)(1)) is amended—

(A) by inserting “(A)” after “subsection (e) that”;

(B) by inserting before the period at the end the following: “, (B) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered, and (C) according to such an agency or association, is in good standing”.

(2) ELIGIBLE INSTITUTIONS.—Section 326(e)(1) (20 U.S.C. 1063b(e)(1)) is amended—

(A) by striking “and” at the end of subparagraph (Q);

(B) by striking the period at the end of subparagraph (R) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

“(S) Alabama State University qualified graduate program;

“(T) Prairie View A & M University qualified graduate program;

“(U) Coppin State University qualified graduate program; and

“(V) Delaware State University qualified graduate program.”.

(3) CONFORMING AMENDMENT.—Section 326(e)(3) (20 U.S.C. 1063b(e)(3)) is amended—

(A) by striking “1998” and inserting “2005”; and

(B) by striking “(Q) and (R)” and inserting “(S), (T), (U), and (V)”.

(f) PROFESSIONAL OR GRADUATE INSTITUTIONS.—Section 326(f) (20 U.S.C. 1063b(f)) is amended—

(1) in paragraph (1)—

(A) by striking “\$26,600,000” and inserting “\$54,500,000”; and

(B) by striking “(P)” and inserting “(R)”;

(2) in paragraph (2)—

(A) by striking “\$26,600,000, but not in excess of \$28,600,000” and inserting “\$54,500,000, but not in excess of \$58,500,000”; and

(B) by striking “subparagraphs (Q) and (R)” and inserting “subparagraphs (S), (T), (U), and (V)”;

(3) in paragraph (3)—

- (A) by striking “\$28,600,000” and inserting “\$58,500,000”; and
- (B) by striking “(R)” and inserting “(V)”.
- (g) HOLD HARMLESS.—Section 326(g) (20 U.S.C. 1063b(g)) is amended by striking “1998” each place it appears and inserting “2005”.

SEC. 7. PELL GRANTS.

- (a) TUITION SENSITIVITY.—Section 401(b) is further amended—
 - (1) by striking paragraph (3); and
 - (2) by redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively.
- (b) MULTIPLE GRANTS.—Paragraph (5) of section 401(b) (as redesignated by subsection (a)(2)) is amended to read as follows:
 - “(5) YEAR-ROUND PELL GRANTS.—
 - “(A) IN GENERAL.—The Secretary shall, for students enrolled full time in a baccalaureate or associate’s degree program of study at an eligible institution, award such students two Pell grants during a single award year to permit such students to accelerate progress toward their degree objectives by enrolling in academic programs for 12 months rather than 9 months.
 - “(B) LIMITATION.—The Secretary shall limit the awarding of additional Pell grants under this paragraph in a single award year to students attending—
 - “(i) baccalaureate degree granting institutions that have a graduation rate as reported by the Integrated Postsecondary Education Data System for the 4 preceding academic years of at least 30 percent; or
 - “(ii) two-year institutions that have a graduation rate as reported by the Integrated Postsecondary Education Data Systems, in at least one of the last 3 years for which data is available, that is above the average for the applicable year for the institution’s type and control.
 - “(C) EVALUATION.—The Secretary shall conduct an evaluation of the program under this paragraph and submit to the Congress an evaluation report no later than October 1, 2011.
 - “(D) REGULATIONS REQUIRED.—The Secretary shall promulgate regulations implementing this paragraph.”

SEC. 8. INTEREST RATE REDUCTIONS.

- (a) FFEL INTEREST RATES.—Section 427A(l)(1) of the Higher Education Act of 1965 (20 U.S.C. 1077a(l)(1)) is amended—
 - (1) by striking “6.8 percent” and inserting “3.4 percent”; and
 - (2) by inserting before the period at the end the following: “, except that for any loan made pursuant to section 428H for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan”.
- (b) DIRECT LOANS.—Section 455(b)(7)(A) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)(7)(A)) is amended—
 - (1) by striking “and Federal Direct Unsubsidized Stafford Loans”;
 - (2) by striking “6.8 percent” and inserting “3.4 percent”; and

(3) by inserting before the period at the end the following: “, and for any Federal Direct Unsubsidized Loan made for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall be effective for loans made on or after July 1, 2006 and before July 1, 2007.

SEC. 9. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

Section 428K (20 U.S.C. 1078–11) is amended to read as follows:

“SEC. 428K. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

“(a) PURPOSES.—The purposes of this section are—

“**(1)** to encourage highly trained individuals to enter and continue in service in areas of national need; and

“**(2)** to reduce the burden of student debt for Americans who dedicate their careers to service in areas of national need.

“(b) PROGRAM AUTHORIZED.—

“**(1) IN GENERAL.**—The Secretary is authorized to carry out a program of assuming the obligation to repay, pursuant to paragraphs (2) of subsection (c) and subsection (d), a qualified loan amount for a loan made, insured, or guaranteed under this part or part D (other than loans made under section 428B and 428C and comparable loans made under part D), for any new borrower after the date of enactment of the Reverse the Raid on Student Aid Act of 2006, who—

“**(A)** has been employed full-time for at least 5 consecutive complete school, academic, or calendar years, as appropriate, in an area of national need described in subsection (c); and

“**(B)** is not in default on a loan for which the borrower seeks forgiveness.

“**(2) AWARD BASIS.**—Loan repayment under this section shall be on a first-come, first-served basis pursuant to the designation under subsection (c) and subject to the availability of appropriations.

“**(3) REGULATIONS.**—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

“(c) AREAS OF NATIONAL NEED.—

“**(1) STATUTORY CATEGORIES.**—For purposes of this section, an individual shall be treated as employed in an area of national need if the individual is employed full time and is any of the following:

“**(A) EARLY CHILDHOOD EDUCATORS.**—An individual who is employed as an early childhood educator in an eligible preschool program or child care facility in a low-income community, and who is involved directly in the care, development and education of infants, toddlers, or young children through age five.

“**(B) NURSES.**—An individual who is employed—

“**(i)** as a nurse in a clinical setting; or

“**(ii)** as a member of the nursing faculty at an accredited school of nursing (as those terms are defined

in section 801 of the Public Health Service Act (42 U.S.C. 296)).

“(C) FOREIGN LANGUAGE SPECIALISTS.—An individual who has obtained a baccalaureate degree in a critical foreign language and is employed—

“(i) in an elementary or secondary school as a teacher of a critical foreign language; or

“(ii) in an agency of the United States Government in a position that regularly requires the use of such critical foreign language.

“(D) LIBRARIANS.—An individual who is employed full-time as a librarian in—

“(i) a public library that serves a geographic area within which the public schools have a combined average of 30 percent or more of their total student enrollments composed of children counted under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965; or

“(ii) an elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, and which for the purpose of this paragraph and for that year has been determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965 exceeds 30 percent of the total enrollment of that school.

“(E) HIGHLY QUALIFIED TEACHERS: BILINGUAL EDUCATION AND LOW-INCOME COMMUNITIES.—An individual who—

“(i) is highly qualified as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965; and

“(ii)(I) is employed as a full-time teacher of bilingual education; or

“(II) is employed as a teacher for service in a public or nonprofit private elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, and which for the purpose of this paragraph and for that year has been determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965 exceeds 40 percent of the total enrollment of that school.

“(F) FIRST RESPONDERS IN LOW-INCOME COMMUNITIES.—An individual who—

“(i) is employed as a firefighter, police officer, or emergency medical technician; and

“(ii) serves as such in a low-income community.

“(G) CHILD WELFARE WORKERS.—An individual who—

“(i) has obtained a degree in social work or a related field with a focus on serving children and families; and

“(ii) is employed in public or private child welfare services.

“(H) SPEECH-LANGUAGE PATHOLOGISTS.—An individual who is a speech-language pathologist, who is employed in an eligible preschool program or an elementary or secondary school, and who has, at a minimum, a graduate degree in speech-language pathology, or communication sciences and disorders.

“(I) ADDITIONAL AREAS OF NATIONAL NEED.—An individual who is employed in an area designated by the Secretary under paragraph (2) and has completed a baccalaureate or advanced degree related to such area.

“(2) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal, State, and community-based agencies and organizations, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into account the extent to which—

“(A) the national interest in the area is compelling;

“(B) the area suffers from a critical lack of qualified personnel; and

“(C) other Federal programs support the area concerned.

“(d) QUALIFIED LOAN AMOUNT.—The Secretary shall repay not more than \$5,000 in the aggregate of the loan obligation on a loan made under section 428 or 428H that is outstanding after the completion of the fifth consecutive school, academic, or calendar year, as appropriate, described in subsection (b)(1).

“(e) CONSTRUCTION.—Nothing in this section shall be construed to authorize the refunding of any repayment of a loan made under section 428 or 428H.

“(f) INELIGIBILITY OF NATIONAL SERVICE AWARD RECIPIENTS.—No student borrower may, for the same service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).

“(g) INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may receive a reduction of loan obligations under both this section and section 428J or 460.

“(h) DEFINITIONS.—In this section

“(1) CHILD CARE FACILITY.—The term ‘child care facility’ means a facility, including a home, that—

“(A) provides for the education and care of children from birth through age 5; and

“(B) meets any applicable State or local government licensing, certification, approval, or registration requirements.

“(2) CRITICAL FOREIGN LANGUAGE.—The term ‘critical foreign language’ includes the languages of Arabic, Korean, Japanese, Chinese, Pashto, Persian-Farsi, Serbian-Croatian, Russian, Portuguese, and any other language identified by the Secretary of Education, in consultation with the Defense Language Insti-

tute, the Foreign Service Institute, and the National Security Education Program, as a critical foreign language need.

“(3) **EARLY CHILDHOOD EDUCATOR.**—The term ‘early childhood educator’ means an early childhood educator employed in an eligible preschool program who has completed a baccalaureate or advanced degree in early childhood development, early childhood education, or in a field related to early childhood education.

“(4) **ELIGIBLE PRESCHOOL PROGRAM.**—The term ‘eligible preschool program’ means a program that provides for the care, development, and education of infants, toddlers, or young children through age 5, meets any applicable State or local government licensing, certification, approval, and registration requirements, and is operated by—

“(A) a public or private school that may be supported, sponsored, supervised, or administered by a local educational agency;

“(B) a Head Start agency serving as a grantee designated under the Head Start Act (42 U.S.C. 9831 et seq.);

“(C) a nonprofit or community based organization; or

“(D) a child care program, including a home.

“(5) **LOW-INCOME COMMUNITY.**—In this subsection, the term ‘low-income community’ means a community in which 70 percent of households earn less than 85 percent of the State median household income.

“(6) **NURSE.**—The term ‘nurse’ means a nurse who meets all of the following:

“(A) The nurse graduated from—

“(i) an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296));

“(ii) a nursing center; or

“(iii) an academic health center that provides nurse training.

“(B) The nurse holds a valid and unrestricted license to practice nursing in the State in which the nurse practices in a clinical setting.

“(C) The nurse holds one or more of the following:

“(i) A graduate degree in nursing, or an equivalent degree.

“(ii) A nursing degree from a collegiate school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

“(iii) A nursing degree from an associate degree school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

“(iv) A nursing degree from a diploma school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

“(7) **SPEECH-LANGUAGE PATHOLOGIST.**—The term ‘speech-language pathologist’ means a speech-language pathologist who meets all of the following:

“(A) the speech-language pathologist has received, at a minimum, a graduate degree in speech-language pathology or communication sciences and disorders from an institu-

tion of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a) of this Act; and

“(B) the speech-language pathologist meets or exceeds the qualifications as defined in section 1861(l) of the Social Security Act (42 U.S.C. 1395x).

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2007 and such sums as may be necessary for each of the 5 succeeding fiscal years.”.

SEC. 10. ADDITIONAL CONSOLIDATION LOAN CHANGES.

(a) ADDITIONAL AMENDMENTS.—Section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—

(1) by striking everything after “under this section” the first place it appears in subparagraph (A);

(2) by striking “(i) which” and all that follows through “and (ii)” in subparagraph (C);

(3) by striking “and” at the end of subparagraph (E);

(4) by redesignating subparagraph (F) as subparagraph (G); and

(5) by inserting after subparagraph (E) the following new subparagraph:

“(F) that the lender of the consolidation loan shall, upon application for such loan, provide the borrower with a clear and conspicuous notice of at least the following information:

“(i) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

“(ii) the effects of consolidation on a borrower’s underlying loan benefits, including loan forgiveness, cancellation, deferment, and reduced interest rates on those underlying loans;

“(iii) the ability of the borrower to prepay the loan, pay on a shorter schedule, and to change repayment plans;

“(iv) that borrower benefit programs may vary among different loan holders, and a description of how the borrower benefits may vary among different loan holders;

“(v) the tax benefits for which borrowers may be eligible;

“(vi) the consequences of default; and

“(vii) that by making the application the applicant is not obligated to agree to take the consolidation loan; and”.

(b) EFFECTIVE DATE FOR SINGLE HOLDER AMENDMENT.—The amendment made by subsection (a)(1) shall apply with respect to any loan made under section 428C of the Higher Education Act of 1965 (20 U.S.C. 1078–3) for which the application is received by an eligible lender on or after July 1, 2006.

SEC. 11. SIGNIFICANTLY SIMPLIFYING THE STUDENT AID APPLICATION PROCESS.

(a) IMPROVEMENTS TO PAPER AND ELECTRONIC FORMS.—

(1) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—Section 483(a) (20 U.S.C. 1090(a)) is amended—

(A) by striking paragraphs (1), (2), and (5);

(B) by redesignating paragraphs (3), (4), (6), and (7), as paragraphs (9), (10), (11), and (12), respectively;

(C) by inserting before paragraph (9), as redesignated by subparagraph (B), the following:

“(1) IN GENERAL.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used for application and reapplication to determine the need and eligibility of a student for financial assistance under parts A through E (other than subpart 4 of part A). These forms shall be made available to applicants in both paper and electronic formats and shall be referred to as the ‘Free Application for Federal Student Aid’ or the ‘FAFSA’.

“(2) EARLY ESTIMATES.—

“(A) IN GENERAL.—The Secretary shall permit applicants to complete such forms as described in this subsection in the 4 years prior to enrollment in order to obtain a non-binding estimate of the family contribution, as defined in section 473. The estimate shall clearly and conspicuously indicate that it is only an estimate of family contribution, and may not reflect the actual family contribution of the applicant that shall be used to determine the grant, loan, or work assistance that the applicant may receive under this title when enrolled in a program of postsecondary education. Such applicants shall be permitted to update information submitted on forms described in this subsection using the process required under paragraph (5)(A).

“(B) EVALUATION.—Two years after the early estimates are implemented under this paragraph and from data gathered from the early estimates, the Secretary shall evaluate the differences between initial, non-binding early estimates and the final financial aid award made available under this title.

“(C) REPORT.—The Secretary shall provide a report to the authorizing committees on the results of the evaluation.

“(3) PAPER FORMAT.—

“(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in paper format to meet the requirements of paragraph (1). The Secretary shall develop a common paper form for applicants who do not meet the requirements of subparagraph (B).

“(B) EZ FAFSA.—

“(i) IN GENERAL.—The Secretary shall develop and use a simplified paper application form, to be known as the ‘EZ FAFSA’, to be used for applicants meeting the requirements of section 479(c).

“(ii) REDUCED DATA REQUIREMENTS.—The form under this subparagraph shall permit an applicant to submit, for financial assistance purposes, only the data elements required to make a determination of

whether the applicant meets the requirements under section 479(c).

“(iii) STATE DATA.—The Secretary shall include on the form under this subparagraph such data items as may be necessary to award State financial assistance, as provided under paragraph (6), except that the Secretary shall not include a State’s data if that State does not permit its applicants for State assistance to use the form under this subparagraph.

“(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (7) shall apply to the form under this subparagraph, and the data collected by means of the form under this subparagraph shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).

“(v) TESTING.—The Secretary shall conduct appropriate field testing on the form under this subparagraph.

“(C) PROMOTING THE USE OF ELECTRONIC FAFSA.—

“(i) IN GENERAL.—The Secretary shall make an effort to encourage applicants to utilize the electronic forms described in paragraph (4).

“(ii) MAINTENANCE OF THE FAFSA IN A PRINTABLE ELECTRONIC FILE.—The Secretary shall maintain a version of the paper forms described in subparagraphs (A) and (B) in a printable electronic file that is easily portable. The printable electronic file will be made easily accessible and downloadable to students on the same website used to provide students with the electronic application forms described in paragraph (4) of this subsection. The Secretary shall enable students to submit a form created under this subparagraph that is downloaded and printed from an electronic file format in order to meet the filing requirements of this section and in order to receive aid from programs under this title.

“(iii) REPORTING REQUIREMENT.—The Secretary shall report annually to Congress on the impact of the digital divide on students completing applications for title IV aid described under this paragraph and paragraph (4). The Secretary will also report on the steps taken to eliminate the digital divide and phase out the paper form described in subparagraph (A) of this paragraph. The Secretary’s report will specifically address the impact of the digital divide on the following student populations: dependent students, independent students without dependents, and independent students with dependents other than a spouse.

“(4) ELECTRONIC FORMAT.—

“(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in electronic format to meet the requirements of paragraph (1). The Secretary shall develop common electronic forms for applicants who do not meet the requirements of subparagraph (C) of this paragraph.

“(B) STATE DATA.—The Secretary shall include on the common electronic forms space for information that needs to be submitted from the applicant to be eligible for State financial assistance, as provided under paragraph (6), except the Secretary shall not require applicants to complete data required by any State other than the applicant’s State of residence.

“(C) SIMPLIFIED APPLICATIONS: FAFSA ON THE WEB.—

“(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic application form to be used by applicants meeting the requirements under subsection (c) of section 479 and an additional, separate simplified electronic application form to be used by applicants meeting the requirements under subsection (b) of section 479.

“(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic application forms shall permit an applicant to submit for financial assistance purposes, only the data elements required to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 479.

“(iii) STATE DATA.—The Secretary shall include on the simplified electronic application forms such data items as may be necessary to award state financial assistance, as provided under paragraph (6), except that the Secretary shall not require applicants to complete data required by any State other than the applicant’s State of residence.

“(iv) AVAILABILITY AND PROCESSING.—The data collected by means of the simplified electronic application forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).

“(v) TESTING.—The Secretary shall conduct appropriate field testing on the forms developed under this subparagraph.

“(D) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, guaranty agency, State grant agency, private computer software provider, a consortium thereof, or such other entities as the Secretary may designate.

“(E) PRIVACY.—The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5, United States Code, and that any entity using the electronic version of the forms developed by the Secretary pursuant to this paragraph shall maintain reasonable and appropriate administrative, technical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of the forms. Data collected by such electronic version of the forms shall be used only for the application, award, and administration of aid awarded

under this title, State aid, or aid awarded by eligible institutions or such entities as the Secretary may designate. No data collected by such electronic version of the forms shall be used for making final aid awards under this title until such data have been processed by the Secretary or a contractor or designee of the Secretary, except as may be permitted under this title.

“(F) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may permit an electronic form under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant.

“(5) STREAMLINING.—

“(A) STREAMLINED REAPPLICATION PROCESS.—

“(i) IN GENERAL.—The Secretary shall develop streamlined reapplication forms and processes, including both paper and electronic reapplication processes, consistent with the requirements of this subsection, for an applicant who applies for financial assistance under this title—

“(I) in the academic year succeeding the year in which such applicant first applied for financial assistance under this title; or

“(II) in any succeeding academic years.

“(ii) MECHANISMS FOR REAPPLICATION.—The Secretary shall develop appropriate mechanisms to support reapplication.

“(iii) IDENTIFICATION OF UPDATED DATA.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that can be updated from the previous academic year’s application.

“(iv) REDUCED DATA AUTHORIZED.—Nothing in this title shall be construed as limiting the authority of the Secretary to reduce the number of data elements required of reapplicants.

“(v) ZERO FAMILY CONTRIBUTION.—Applicants determined to have a zero family contribution pursuant to section 479(c) shall not be required to provide any financial data in a reapplication form, except that which is necessary to determine eligibility under such section.

“(B) REDUCTION OF DATA ELEMENTS.—

“(i) REDUCTION ENCOURAGED.—Of the number of data elements on the FAFSA on the date of enactment of the Reverse the Raid on Student Aid Act of 2006 (including questions on the FAFSA for the purposes described in paragraph (6)), the Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall continue to reduce the number of such data elements following the date of enactment. Reductions of data elements under paragraph (3)(B), (4)(C), or (5)(A)(iv) shall not be counted towards the reduction referred to

in this paragraph unless those data elements are reduced for all applicants.

“(ii) REPORT.—The Secretary shall annually report to the House of Representatives and the Senate on the progress made of reducing data elements.

“(6) STATE REQUIREMENTS.—

“(A) IN GENERAL.—The Secretary shall include on the forms developed under this subsection, such State-specific data items as the Secretary determines are necessary to meet State requirements for State need-based financial aid under section 415C, except as provided in paragraphs (3)(B)(iii) and (4)(C)(iii) of this subsection. Such items shall be selected in consultation with State agencies in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection, except as provided in paragraphs (3)(B)(iii) and (4)(C)(iii) of this subsection. The number of such data items shall not be less than the number included on the form on October 7, 1998, unless a State notifies the Secretary that the State no longer requires those data items for the distribution of State need-based financial aid.

“(B) ANNUAL REVIEW.—The Secretary shall conduct an annual review process to determine which forms and data items the States require to award State need-based financial aid and other application requirements that the States may impose.

“(C) STATE USE OF SIMPLIFIED FORMS.—The Secretary shall encourage States to take such steps as necessary to encourage the use of simplified application forms, including those described in paragraphs (3)(B) and (4)(C), to meet the requirements under subsection (b) or (c) of section 479.

“(D) FEDERAL REGISTER NOTICE.—The Secretary shall publish on an annual basis a notice in the Federal Register requiring State agencies to inform the Secretary—

“(i) if the State agency is unable to permit applicants to utilize the simplified application forms described in paragraphs (3)(B) and (4)(C); and

“(ii) of the State-specific data that the State agency requires for delivery of State need-based financial aid.

“(E) STATE NOTIFICATION TO THE SECRETARY.—

“(i) IN GENERAL.—Each State agency shall notify the Secretary—

“(I) whether the State permits an applicant to file a form described in paragraph (3)(B) or paragraph (4)(C) of this subsection for purposes of determining eligibility for State need-based financial aid; and

“(II) the State-specific data that the State agency requires for delivery of State need-based financial aid.

“(ii) ACCEPTANCE OF FORMS.—In the event that a State does not permit an applicant to file a form described in paragraph (3)(B) or paragraph (4)(C) of this

subsection for purposes of determining eligibility for State need-based financial aid—

“(I) the State shall notify the Secretary if the State is not permitted to do so because of either State law or because of agency policy; and

“(II) the notification under subclause (I) shall include an estimate of the program cost to permit applicants to complete simplified application forms under paragraphs (3)(B) and paragraph (4)(C) of this subsection.

“(iii) LACK OF NOTIFICATION BY THE STATE.—If a State does not notify the Secretary pursuant to clause (i), the Secretary shall—

“(I) permit residents of that State to complete simplified application forms under paragraphs (3)(B) and paragraph (4)(C) of this subsection; and

“(II) not require any resident of that State to complete any data previously required by that State under this section.

“(7) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—

“(A) FEES PROHIBITED.—The FAFSA, in whatever form (including the EZ-FAFSA, paper, electronic, simplified, or reapplication), shall be produced, distributed, and processed by the Secretary and no parent or student shall be charged a fee for the collection, processing, or delivery of financial aid through the use of the FAFSA. The need and eligibility of a student for financial assistance under parts A through E of this title (other than under subpart 4 of part A) may only be determined by using the FAFSA developed by the Secretary pursuant to this subsection. No student may receive assistance under parts A through E of this title (other than under subpart 4 of part A), except by use of the FAFSA developed by the Secretary pursuant to this subsection. No data collected on a form for which a fee is charged shall be used to complete the FAFSA.

“(B) NOTICE.—Any entity that provides to students or parents, or charges students or parents for, any value-added services with respect to or in connection with the FAFSA, such as completion of the FAFSA, submission of the FAFSA, or tracking of the FAFSA for a student, shall provide to students and parents clear and conspicuous notice that—

“(i) the FAFSA is a free Federal student aid application;

“(ii) the FAFSA can be completed without professional assistance; and

“(iii) includes the current Internet address for the FAFSA on the Department’s web site.

“(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit a form created under this subsection in order to meet the filing requirements of this section and in order to receive aid from programs under this title and shall initiate the processing of applications under this subsection as

early as practicable prior to January 1 of the student's planned year of enrollment.”.

(2) MASTER CALENDAR.—Section 482(a)(1)(B) (20 U.S.C. 1089) is amended to read as follows:

“(B) by March 1: proposed modifications, updates, and notices pursuant to sections 478, 479(c)(2)(C), and 483(a)(6) published in the Federal Register;”.

(b) INCREASING ACCESS TO TECHNOLOGY.—Section 483 (20 U.S.C. 1090) is further amended by adding at the end the following:

“(f) ADDRESSING THE DIGITAL DIVIDE.—The Secretary shall utilize savings accrued by moving more applicants to the electronic forms described in subsection (a)(4) to improve access to the electronic forms described in subsection (a)(4) for applicants meeting the requirements of section 479(c).”.

(c) EXPANDING THE DEFINITION OF AN INDEPENDENT STUDENT.—Section 480(d) (20 U.S.C. 1087vv(d)) is amended by striking paragraph (2) and inserting the following:

“(2) is an orphan, in foster care, or a ward of the court, or was in foster care or a ward of the court until the individual reached the age of 18;”.

SEC. 12. DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.

Section 479A(a) (20 U.S.C. 1087tt(a)) is amended—

(1) by striking “(a) IN GENERAL.—” and inserting the following:

“(a) AUTHORITY TO MAKE ADJUSTMENTS.—

“(1) ADJUSTMENTS FOR SPECIAL CIRCUMSTANCES.—”;

(2) by inserting before “Special circumstances may” the following:

“(2) SPECIAL CIRCUMSTANCES DEFINED.—”;

(3) by inserting “a student's status as a ward of the court at any time prior to attaining 18 years of age, a student's status as an individual who was adopted at or after age 13, a student's status as a homeless or unaccompanied youth (as defined in section 725 of the McKinney-Vento Homeless Assistance Act),” after “487,”;

(4) by inserting before “Adequate documentation” the following:

“(3) DOCUMENTATION AND USE OF SUPPLEMENTARY INFORMATION.—”; and

(5) by inserting before “No student” the following:

“(4) FEES FOR SUPPLEMENTARY INFORMATION PROHIBITED.—”.

SEC. 13. POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS.

(a) ESTABLISHMENT OF PROGRAM.—Title V is amended—

(1) by redesignating part B as part C;

(2) by redesignating sections 511 through 518 as sections 521 through 528, respectively; and

(3) by inserting after section 505 (20 U.S.C. 1101d) the following new part:

“PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

“SEC. 511. PURPOSES.

“The purposes of this part are—

“(1) to expand postbaccalaureate educational opportunities for, and improve the academic attainment of, Hispanic students; and

“(2) to expand the postbaccalaureate academic offerings and enhance the program quality in the institutions that are educating the majority of Hispanic college students and helping large numbers of Hispanic and low-income students complete postsecondary degrees.

“SEC. 512. PROGRAM AUTHORITY AND ELIGIBILITY.

“(a) PROGRAM AUTHORIZED.—Subject to the availability of funds appropriated to carry out this part, the Secretary shall award competitive grants to Hispanic-serving institutions determined by the Secretary to be making substantive contributions to graduate educational opportunities for Hispanic students.

“(b) ELIGIBILITY.—For the purposes of this part, an ‘eligible institution’ means an institution of higher education that—

“(1) is an eligible institution under section 502(a)(2); and

“(2) offers a postbaccalaureate certificate or degree granting program.

“SEC. 513. AUTHORIZED ACTIVITIES.

“Grants awarded under this part shall be used for one or more of the following activities:

“(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

“(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

“(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

“(4) Support for needy postbaccalaureate students including outreach, academic support services, mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and degree granting programs.

“(5) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

“(6) Creating or improving facilities for Internet or other distance learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

“(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and degree offerings.

“(8) Other activities proposed in the application submitted pursuant to section 514 that—

- “(A) contribute to carrying out the purposes of this part;
and
- “(B) are approved by the Secretary as part of the review
and acceptance of such application.

“SEC. 514. APPLICATION AND DURATION.

“(a) APPLICATION.—Any eligible institution may apply for a grant under this part by submitting an application to the Secretary at such time and in such manner as determined by the Secretary. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities in programs and professions in which Hispanic Americans are underrepresented.

“(b) DURATION.—Grants under this part shall be awarded for a period not to exceed 5 years.

“(c) LIMITATION.—The Secretary shall not award more than one grant under this part in any fiscal year to any Hispanic-serving institution.”

(b) COOPERATIVE ARRANGEMENTS.—Section 524(a) (as redesignated by subsection (a)(2)) (20 U.S.C. 1103c(a)) is amended by inserting “and section 513” after “section 503”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Subsection (a) of section 528 (as redesignated by subsection (a)(2) of this section) (20 U.S.C. 1103g) is amended to read as follows:

“(a) AUTHORIZATIONS.—

“(1) PART A.—There are authorized to be appropriated to carry out part A and part C of this title \$96,000,000 for fiscal year 2006 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(2) PART B.—There are authorized to be appropriated to carry out part B of this title \$59,000,000 for fiscal year 2006 and such sums as may be necessary for each of the 5 succeeding fiscal years.”

SEC. 14. CANCELLATION OF STUDENT LOAN INDEBTEDNESS FOR SURVIVORS OF VICTIMS OF THE SEPTEMBER 11, 2001, ATTACKS.

(a) DEFINITIONS.—For purposes of this section:

(1) ELIGIBLE PUBLIC SERVANT.—The term “eligible public servant” means an individual who, as determined in accordance with regulations of the Secretary—

(A) served as a police officer, firefighter, other safety or rescue personnel, or as a member of the Armed Forces;
and

(B) died (or dies) or became (or becomes) permanently and totally disabled due to injuries suffered in the terrorist attack on September 11, 2001.

(2) ELIGIBLE VICTIM.—The term “eligible victim” means an individual who, as determined in accordance with regulations of the Secretary, died (or dies) or became (or becomes) permanently and totally disabled due to injuries suffered in the terrorist attack on September 11, 2001.

(3) ELIGIBLE PARENT.—The term “eligible parent” means the parent of an eligible victim if—

(A) the parent owes a Federal student loan that is a consolidation loan that was used to repay a PLUS loan incurred on behalf of such eligible victim; or

(B) the parent owes a Federal student loan that is a PLUS loan incurred on behalf of an eligible victim.

(4) SECRETARY.—The term “Secretary” means the Secretary of Education.

(5) FEDERAL STUDENT LOAN.—The term “Federal student loan” means any loan made, insured, or guaranteed under part B, D, or E of title IV of the Higher Education Act of 1965.

(b) RELIEF FROM INDEBTEDNESS.—

(1) IN GENERAL.—The Secretary shall provide for the discharge or cancellation of—

(A) the Federal student loan indebtedness of the spouse of an eligible public servant, as determined in accordance with regulations of the Secretary, including any consolidation loan that was used jointly by the eligible public servant and his or her spouse to repay the Federal student loans of the spouse and the eligible public servant;

(B) the portion incurred on behalf of the eligible victim (other than an eligible public servant), of a Federal student loan that is a consolidation loan that was used jointly by the eligible victim and his or her spouse, as determined in accordance with regulations of the Secretary, to repay the Federal student loans of the eligible victim and his or her spouse;

(C) the portion of the consolidation loan indebtedness of an eligible parent that was incurred on behalf of an eligible victim; and

(D) the PLUS loan indebtedness of an eligible parent that was incurred on behalf of an eligible victim.

(2) METHOD OF DISCHARGE OR CANCELLATION.—A loan required to be discharged or canceled under paragraph (1) shall be discharged or canceled by the method used under section 437(a), 455(a)(1), or 464(c)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1087(a), 1087e(a)(1), 1087dd(c)(1)(F)), whichever is applicable to such loan.

(c) FACILITATION OF CLAIMS.—The Secretary shall—

(1) establish procedures for the filing of applications for discharge or cancellation under this section by regulations that shall be prescribed and published within 90 days after the date of enactment of this Act and without regard to the requirements of section 553 of title 5, United States Code; and

(2) take such actions as may be necessary to publicize the availability of discharge or cancellation of Federal student loan indebtedness under this section.

(d) AVAILABILITY OF FUNDS FOR PAYMENTS.—Funds available for the purposes of making payments to lenders in accordance with section 437(a) for the discharge of indebtedness of deceased or disabled individuals shall be available for making payments under section 437(a) to lenders of loans as required by this section.

(e) APPLICABLE TO OUTSTANDING DEBT.—The provisions of this section shall be applied to discharge or cancel only Federal student loans (including consolidation loans) on which amounts were owed on September 11, 2001. Nothing in this section shall be construed to authorize any refunding of any repayment of a loan.

SEC. 15. GENERAL EXTENSION OF HIGHER EDUCATION PROGRAMS.

(a) **EXTENSION OF DURATION.**—Except as otherwise provided in this Act, the authorization of appropriations for, and the duration of, each program authorized under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) shall be extended through July 1, 2012.

(b) **PERFORMANCE OF REQUIRED AND AUTHORIZED FUNCTIONS.**—If the Secretary of Education, a State, an institution of higher education, a guaranty agency, a lender, or another person or entity—

(1) is required, in or for fiscal year 2004, to carry out certain acts or make certain determinations or payments under a program under the Higher Education Act of 1965, such acts, determinations, or payments shall be required to be carried out, made, or continued during the period of the extension under this section; or

(2) is permitted or authorized, in or for fiscal year 2004, to carry out certain acts or make certain determinations or payments under a program under the Higher Education Act of 1965, such acts, determinations, or payments are permitted or authorized to be carried out, made, or continued during the period of the extension under this section.

(c) **EXTENSION AT CURRENT LEVELS.**—Unless the amount authorized to be appropriated for a program described in subsection (a) is otherwise amended by another section of this Act, the amount authorized to be appropriated for such a program during the period of extension under this section shall be the amount authorized to be appropriated for such program for fiscal year 2004, or the amount appropriated for such program for such fiscal year, whichever is greater. Except as provided in any amendment to the Higher Education Act of 1965 enacted during fiscal year 2005 or 2006, the amount of any payment required or authorized under subsection (b) in or for the period of the extension under this section shall be determined in the same manner as the amount of the corresponding payment required or authorized in or for fiscal year 2004.

(d) **ADVISORY COMMITTEES AND OTHER ENTITIES CONTINUED.**—Any advisory committee, interagency organization, or other entity that was, during fiscal year 2004, authorized or required to perform any function under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), or in relation to programs under that Act, shall continue to exist and is authorized or required, respectively, to perform such function for the period of the extension under this section.

8. A PRO FORMA AMENDMENT FOR THE PURPOSE OF DEBATE IF OFFERED BY REPRESENTATIVE MCKEON OF CALIFORNIA DEBATABLE FOR 10 MINUTES